



# Employer Trends Across the Benefits Landscape

AN HR PULSE SURVEY | CONDUCTED BY NEW BENEFITS



Welcome to the inaugural edition of the HR Pulse Survey from New Benefits. This report illuminates both the challenges and opportunities employers are facing related to benefits as a whole and non-insured benefits in particular. To gather this data, numerous human resources professionals from diverse businesses and organizations were surveyed about their needs, concerns, satisfaction levels and goals. Here, brokers should find a wellspring of insight that can empower them to elevate their service and proactively address pain points.

## Key Takeaways

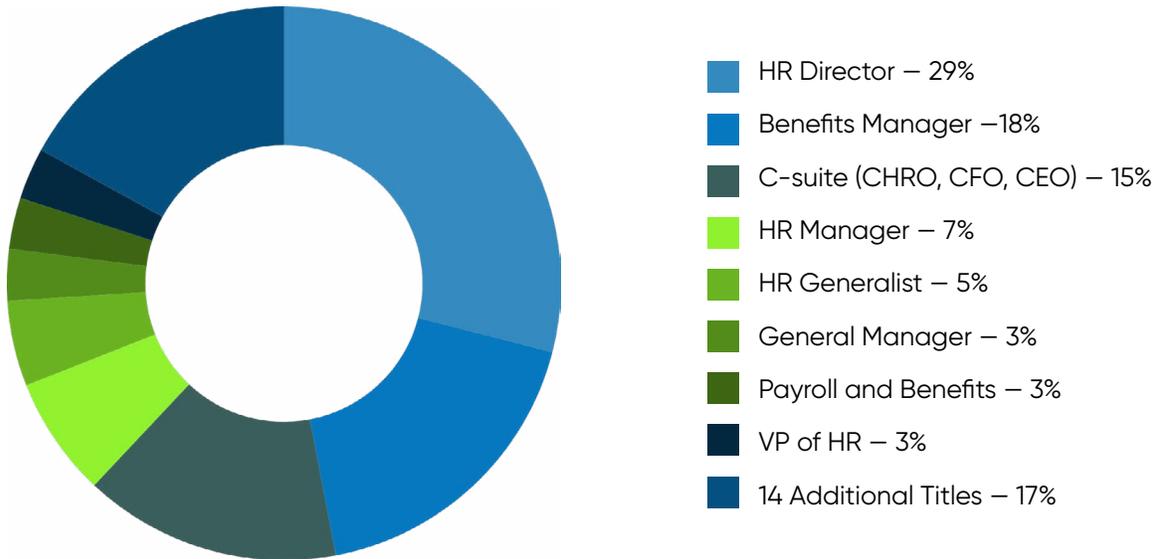
The HR Pulse Survey reveals several valuable insights about employers' sentiments regarding benefits in general and non-insured benefits specifically:

- **Rising costs are by far the most pressing challenge in employee benefits, followed by being able to offer competitive benefits and improve employee engagement.**
- **ROI is top of mind, with HR leaders seeking clear cost-benefit analyses and real-world case studies that demonstrate the value of non-insured benefits.**
- **Employee engagement is a key focus area, with most respondents simultaneously reporting disappointing engagement figures *and* poor visibility into utilization data.**
- **The primary driver of non-insured benefit adoption is clearly cost-effectiveness, superseding both employee demand and impact on retention.**
- **HR leaders overwhelmingly lean on their brokers to learn about new, non-insured benefits – with many also noting a desire for even more broker guidance and assistance with implementation.**

## PULSE SURVEY PARTICIPANTS AND SHIFTS IN PREMIUMS

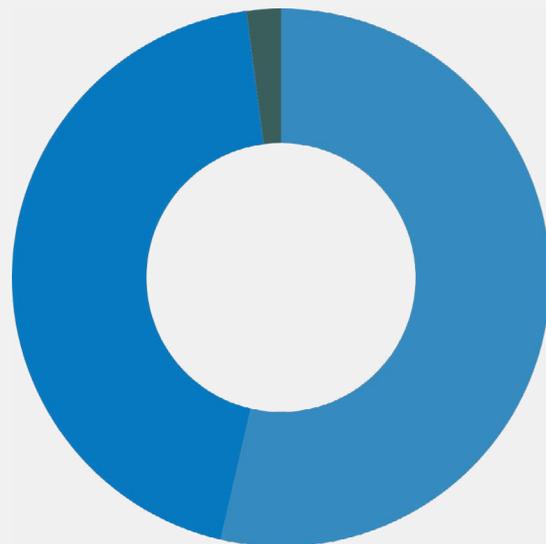
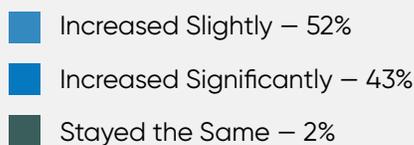
Before exploring the insights produced by the HR Pulse Survey, it's important to paint a clear picture of its participants. HR roles and responsibilities vary across organizations and industries, so it was critical to have this survey cover a large swath of the HR landscape.

The survey respondents ranged from frontline HR employees to C-suite executives. The majority of those surveyed were HR Directors, Benefits Managers and C-suite executives.



The response to a broad initial question lays a clear foundation for many insights later in this survey. Of those surveyed, 95% reported their health insurance premiums increasing over the last three years – with 43% reporting that increase as significant.

### How have your health insurance premiums changed over the last three years?



## BENEFIT MANAGEMENT AND IMPLEMENTATION CHALLENGES

HR leaders were asked about challenges they face with the implementation and management of benefits broadly and non-insured benefits specifically. While rising costs and budget constraints are dominant concerns, employee engagement is the central challenge with non-insured benefits.

When asked about the totality of their benefits offering, the answer was clear. Rising costs are by far the leading pain point, with the ability to offer competitive benefits and employee engagement making up a clear second tier of concern.



When asked about top challenges with implementing or measuring, non-insured benefits in particular, respondents' focus shifts to employee engagement or awareness.



While there is a clear need to focus on ROI and cost-effectiveness, it is incumbent upon brokers to be proactive in assisting employers with employee engagement with, and basic awareness of, non-insured benefits.

## CONCERNS ABOUT RISING COSTS AND EMPLOYERS' RESPONSES

Digging further into employers' cost concerns, the survey revealed that while employers are unified in their high levels of concern, they're also exploring a diverse array of strategies to combat this troubling trend.

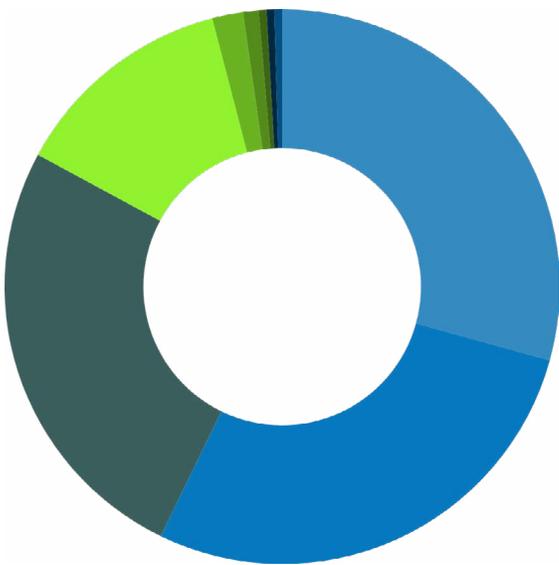
When asked to rate their levels of concern about rising costs, the answer represents a veritable alarm bell being sounded across industries.

How would you rate your concern with rising costs, from 1 to 10?

80%

Answered 7 or Higher

There are many strategies being deployed to counter this concern, led by external negotiations, an internal emphasis on telemedicine and wellness, and the strategic choice to implement cost-sharing with employees.



- Negotiating With Insurers and Providers – 65%
- Encouraging Telemedicine and Wellness Programs – 62%
- Cost-Sharing With Employees – 57%
- Adding Non-Insured Benefits to Supplement Coverage – 29%
- Level-Funded and Reference-Based Pricing Programs – 4%
- Nothing Has Helped – 2%
- Changing to an ICRHA Benefit Plan – 1%
- Implementing HRA – 1%
- Implementing MERP – 1%



*"With rising costs driving concern for organizations of all sizes across all industries, employers are looking everywhere for ways to stem the tide. There is a massive opportunity for brokers to act as partners rather than vendors for their clients, proactively offering solutions and presenting non-insured benefits through the lens of dollars and cents."*

Dulce Bozeman, President + Chief People Officer, New Benefits

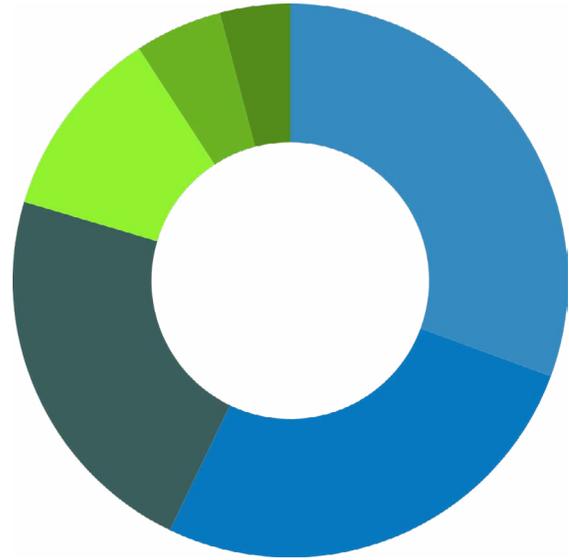
## NON-INSURED BENEFIT UTILIZATION AND TRACKING

For non-insured benefits in particular, surveyed HR leaders reported a lack of satisfaction with employee utilization – but also poor visibility into utilization data.

When asked about their satisfaction level with non-insured benefit utilization, the dominant sentiment reported by HR leaders was apathy – with “neutral” and “unsure” combining for 52% of responses. What is most worth noting is that only 31% of employers report any level of satisfaction with non-insured benefit utilization.

### *How satisfied are you with your current utilization of non-insured benefits?*

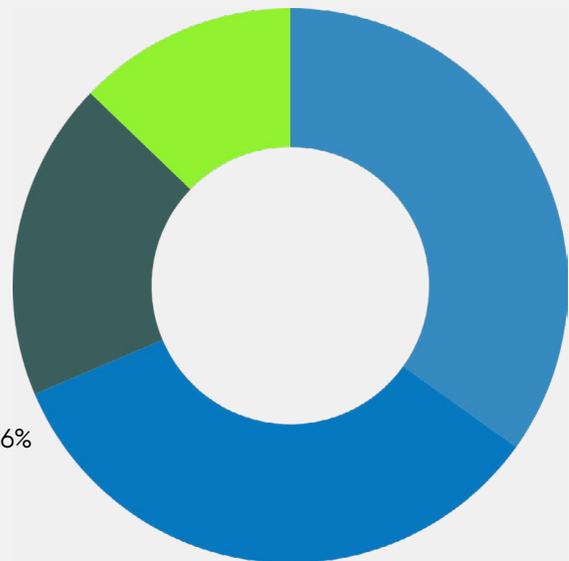
- Very Satisfied – 5%
- Somewhat Satisfied – 26%
- Neutral – 30%
- Somewhat Dissatisfied – 11%
- Very Dissatisfied – 4%
- Unsure – 22%



At the same time, when asked about non-insured utilization tracking, the percentage of those saying they do not track or are unsure about tracking nearly mirrors the “neutral/unsure” responses from the previous question at 54%.

### *How do you track the utilization of non-insured benefits, and how often do you review the data?*

- Do Not Currently Track – 44%
- Occasionally Review Utilization Data – 29%
- Regularly Track Employee Engagement and Usage – 16%
- Unsure – 11%



With the understanding that employers' greatest concern with non-insured benefits is employee engagement, only one-third are satisfied with utilization and less than half actively track utilization data. There clearly is a need for brokers to aid in the implementation of utilization tracking and evaluation of data.

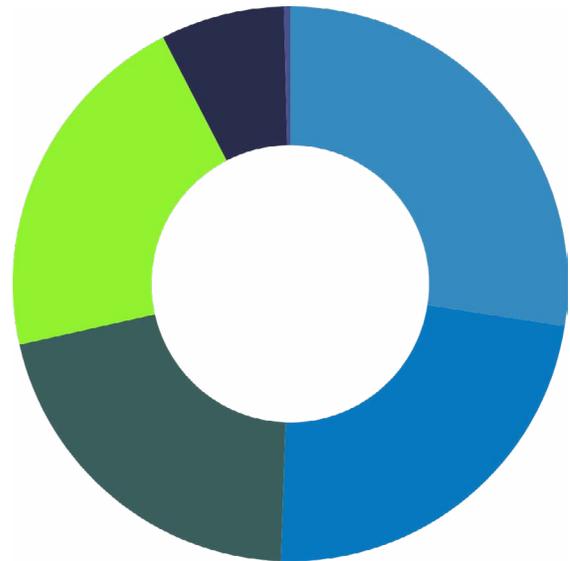
## EVALUATION AND ADOPTION OF NON-INSURED BENEFITS

By examining how survey respondents explain what influences benefit adoption, as well as what would aid in more effective evaluation and implementation, it seems clear that employers need to better understand ROI and the benefits their employees want.

Looking at what influences non-insured benefit adoption, there are four factors that weigh heavily on HR leaders' minds. These are led by cost-effectiveness, which is followed closely by employee demand, retention impact and administrative ease.

### *What factors influence the adoption of non-insured benefits within your organization?*

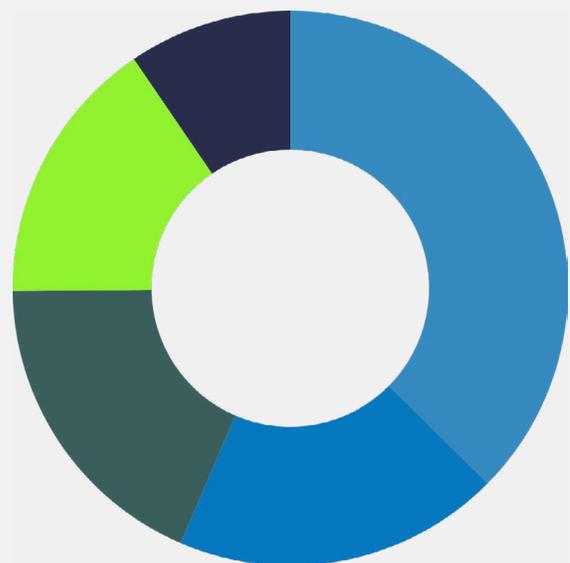
- Cost-Effectiveness – 76%
- Employee Demand – 64%
- Impact on Employee Retention – 58%
- Ease of Administration – 58%
- Competitor Offerings – 20%
- Broker Communication – 1%



Employers appear to use a variety of methods to aggregate feedback on non-insured benefits. However, 28% of respondents indicated they did not actively gather feedback at all.

### *How do you typically gather feedback on employees' benefit preferences?*

- Employee Surveys – 55%
- We Do Not Actively Gather Feedback – 28%
- One-on-One Meetings – 27%
- HR Feedback Sessions – 23%
- Suggestion Boxes – 14%



The strategies the same HR leaders believe would improve evaluation and implementation closely mirror their list of influences. The combination of “clearer ROI and cost-benefit analysis” and “case studies or success stories” came up 79% of the time, indicating consensus around an emphasis on quantifiable value.

### What would make evaluating and implementing employee benefits easier?

**56%**

Clearer ROI and Cost-Benefit Analysis

**55%**

More Employee Feedback on Desired Benefits

**34%**

Simpler Implementation Processes

**26%**

Stronger Guidance From My Broker

**23%**

Case Studies or Success Stories

**19%**

Leadership Buy-In and Support

**1%**

Time and Money

**1%**

Cost-Effectiveness

**1%**

No Minimum Participation

**1%**

Requirements

**1%**

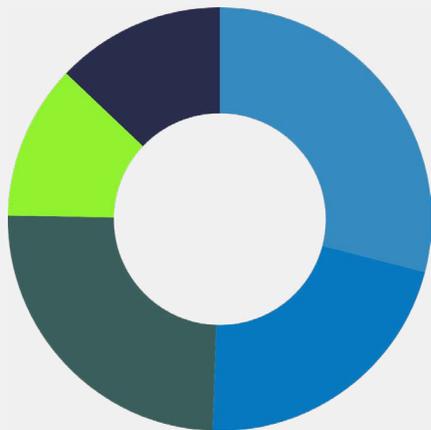
Not Sure

Another noteworthy takeaway: Only 1% of respondents listed broker communication as a major factor in adoption, while 26% reported the desire for stronger broker guidance. Paired with the need for clear ROI and simplified implementation, this indicates an opportunity for brokers to consult with clients.

**AWARENESS OF NEW AND EMERGING BENEFIT OPTIONS**

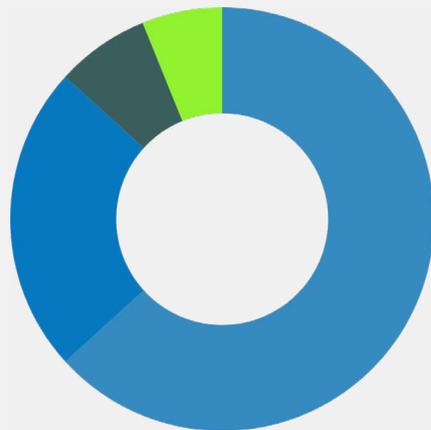
Finally, HR leaders were asked how they find out about new benefit options, how important discovering emerging trends is to their organization, and how often they actively explore new benefit offerings.

*How important is it for your organization to be informed about emerging benefit trends?*



- Extremely Important – 27%
- Somewhat Important – 20%
- Neutral – 23%
- Somewhat Unimportant – 11%
- Not Important at All – 12%

*How often do you explore new benefit offerings?*

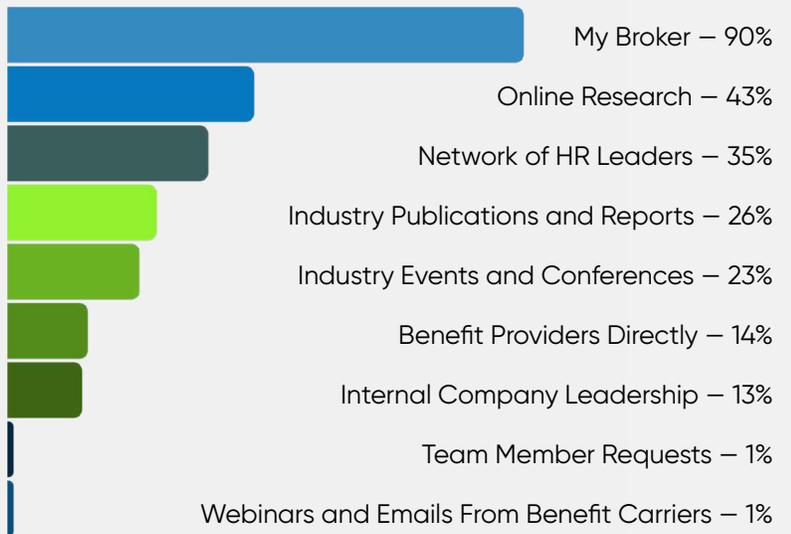


- Annually During Benefits Planning – 62%
- Continuously – 23%
- Only When an Issue Arises – 7%
- Every Few Years – 6%

*How do you learn about new benefit products and services?*

With roughly half of respondents sharing that knowing about emerging trends is important to them and 90% relying on their brokers to stay informed, it's critical that brokers communicate trends early and often.

What's more, while 62% of HR leaders explore new benefit offerings with typical seasonality, 23% still evaluate benefit opportunities continuously. With this in mind, it is wise for brokers to identify and segment employers that are continuous explorers, and persuade those with annual evaluations to seize opportunities outside of that typical window.



## SUMMARY PERSPECTIVE

The inaugural HR Pulse Survey displays some clear trends in the employer mindset, illuminating opportunities for brokers to grow their relationships by proactively addressing the most common pain points and presenting reasons to believe that align with client priorities.

One clear, if unsurprising, takeaway is that rising costs and the cost-effectiveness of both insured and non-insured benefits are the heaviest stressors weighing on HR leaders' minds. They are pressured to do more with less, and loudly state that they need brokers to present cost-benefit analyses and case studies that demonstrate clear ROI.

Their secondary concern is weak employee engagement, particularly with non-insured benefits. While their opinions of employee utilization are lukewarm at best, poor or nonexistent utilization reporting hampers the ability to discern the effectiveness of non-insured benefits.

Lastly, employers still depend overwhelmingly on their brokers to keep them on the leading edge in the benefits space, with many sharing that they desire even more broker guidance.

These takeaways together represent a call to action for brokers. HR leaders essentially are saying they require clearer proof of value in dollars and cents, need help to increase awareness and engagement with non-insured benefits, and rely on brokers more than ever to keep them competitive.

**Forward-thinking brokers have the opportunity to reshape their strategies around these findings and elevate their client relationships in a challenging market.**

# Ready to take the next step? We can help.

NON-INSURED BENEFITS ARE ONLY PART OF HOW WE CREATE ADVANTAGE

## How we **drive** member **engagement** and ROI:



### Mobile App and Web Portal

With online benefit access, education and communication at their fingertips, members are empowered to better utilize and securely engage with your program.



### Marketing and Member Comms

New Benefits brings 30+ years of benefits marketing experience to every engagement and the results speak for themselves, with an **average open rate over 30%**.



### NB marketplace

An e-commerce storefront, purpose-built for benefits, empowers members to engage with services and products from anywhere, at any time to drive off-cycle ROI.

## How we **measure** and optimize **engagement**:



### Client Portal

This central hub puts data at your fingertips to drive the best outcomes for your customers. Manage groups, track commissions and pull utilization data – all in a single location.

- Visualized Analytics
- Dynamic Reporting
- Member Management
- SOC 2 Type 1 Security

## How we **streamline** onboarding and **administration**:



### Account Management – Client Success Team

We're committed to providing a first-class experience beyond our curated benefit products, providing you with a Client Success Team that delivers unrivaled service and support.

- Implementation Services
- Onboarding Support
- Product Launches
- Ongoing Training

Expand Your Benefits Offering.

Enhance Data Reporting.

Elevate Member Engagement.

### Create Advantage With New Benefits.

For over 30 years, brokers and businesses have trusted New Benefits because we are a value-added partner that helps them get the most out of their benefits.

With an industry-leading portfolio of non-insured benefits, as well as prebuilt tools and assets proven to drive engagement, New Benefits helps you create better experiences.

Connect with an NB expert at [NewSales@NewBenefits.com](mailto:NewSales@NewBenefits.com) or visit our website to leverage the #1 destination for non-insured benefits.

[NewBenefits.com](http://NewBenefits.com)

